

Progress Report on Key Indicators: Research and Development

Updated information is available for two indicators under Question 5: "Are Kentucky's communities and economy benefiting?" Results for Indicator 5.8, endowments in the research priority areas of the knowledge-based economy, are mixed. Results for Indicator 5.9, expenditures from endowments and gifts in the research priority areas, show significant progress.

In February 2002, the council approved goals for two indicators measuring progress on endowments and expenditures in the research priority areas for the knowledge-based economy. As part of its strategic plan for a knowledge-based economy, the Kentucky Innovation Commission identified five research priority areas. These areas are based on the availability of researchers, federal funding potential, the likelihood that Kentucky could gain national recognition in the area, and whether research could yield technology transfer and commercialization opportunities.

Results from 2001-02 show that endowments in the research priority areas rose at the University of Louisville and declined at the University of Kentucky. Detailed information is included in the attachment. Highlights include:

- The University of Louisville's endowments in the research priority areas rose to \$160,260,485 in 2001-02. This represents a 56 percent increase over UofL's 2000-01 endowment level, and exceeds the institution's goals through 2003-04.
- The University of Kentucky's endowments in the research priority areas dropped to \$145,852,048 in 2001-02. UK's goal for 2001-02 (\$158,522,400) was slightly lower than the institution's actual endowment levels in 2000-01; the university expected a slight decline in research priority endowments due to fluctuating market values. UK also reported a large decrease in the Environment and Energy category, due to the reclassification of UK's \$12.9 million Robinson Trust Fund. Funds from the Robinson Trust – previously used to finance several research activities – are now needed to support the Robinson Scholars program.

Using the traffic light evaluation system, the light for Indicator 5.8 is yellow, indicating some progress.

Expenditures from endowments and gifts in the research priority areas increased at both the University of Kentucky and the University of Louisville during 2001-02:

- The University of Kentucky's research priority expenditures rose from \$9,426,620 in 2000-01 to \$14,273,479 in 2001-02. This 51 percent increase exceeded UK's goals through 2004-05. UK reported a substantial increase in Biosciences expenditures due to a \$3.5 million gift for the Gluck Equine Center.
- Research priority expenditures at the University of Louisville rose to \$7,790,376 in 2001-02, an increase of over 200 percent from the previous year. UofL exceeded its established goals through 2005-06.

The light for Indicator 5.9 is green, indicating good progress for this indicator. Results are now available for four indicators under Question 5. The overall light for this question remains green, indicating good progress.

Over the next several months, the council staff will work with UK and UofL to revise goals for Indicators 5.8 and 5.9.